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Financing of the United Nations Organization Mission in the Democratic Republic of the Congo

Progress report on the status of the airfield services contract for the United Nations Organization Mission in the Democratic Republic of the Congo

Report of the Secretary-General*

Summary

The present progress report provides the status of the airfield services contract for the United Nations Organization Mission in the Democratic Republic of the Congo.

* This is a progress report.

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I. Introduction

1. In its resolution 56/252 B of 27 March 2002, the General Assembly endorsed the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget of the United Nations Organization Mission in the Democratic Republic of the Congo (A/56/845) and requested the Secretary-General to ensure their implementation. The Assembly also requested the Secretary-General to take into consideration the concerns and options referred to in paragraph 99 of the report and to submit a progress report to the Assembly for its consideration during the second part of its resumed fifty-sixth session.

2. In paragraph 99 of its report, the Advisory Committee provided two options for consideration: the airfield services contract should be resubmitted for tender at the end of the first year (by 30 June 2002); or a series of contracts should be awarded to more than one provider.

II. Management review

3. The Secretariat, in collaboration with the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC), examined the feasibility of immediately resubmitting the contract for tender or reassigning the services to a number of providers. To this end, the following options for the provision of the required services were identified:

(a) Use a specialized military unit or units;

(b) Employ the services of international and national United Nations personnel;

(c) Resubmit the contract for tender either as one comprehensive contract or as a series of contracts meeting specific requirements through international and local bidding;

(d) A combination of the above.

4. The selection of any of the foregoing options implies carrying out a comprehensive assessment of the airfield services required by MONUC. The Secretariat is currently finalizing this assessment. Should it lead to selection of the option to outsource the provision of all or part of the required services, rewriting of and issuing the request for proposal and preparation of contractual documents must follow. This process would include site visits by potential contractors, an effective evaluation of proposals from both local and international contractors and preparation of a comprehensive business case analysis to ensure the selection of the best option. The final steps in this process would include contract negotiation, award of contract and mobilization of the contractor's resources.

5. In the past, the aforementioned tasks have taken six to eight months to complete when complex service contracts were established. The time frame to identify, prepare and deploy specialized military units or to recruit a qualified team of United Nations staff to perform such specialized functions has historically not been much shorter. Irrespective of the option selected, the major prerequisite to resubmit the contract for tender or reassign the services to a number of providers cannot be accomplished before the expiration of the current contract on 30 June 2002.

6. In the Secretariat's assessment, the provision of airfield services is essential for MONUC success at this time, when the operation has entered a crucial phase of expansion in support of consolidating peace trends in the area of its deployment. The Secretariat is convinced that the current contract should be extended for a period of six months to allow time for the comprehensive examination of potential options.

III. Action plan

7. To implement the recommendations of the Advisory Committee, the Secretariat convened a working group tasked with the development of a detailed action plan and its expeditious implementation. Its terms of reference include the development of a comprehensive business case analysis, leading to the selection of the option best suited to the Organization's needs. Since the establishment of the working group at the end of March 2002, a detailed action plan with clear time lines has been established.

8. The following paragraphs provide an explanation of the major tasks to be accomplished in order to implement the recommendations of the Advisory Committee. They provide a status report on the progress made by end of April 2002 in the implementation of these tasks and lay out the next steps to be performed and the associated time lines:

(a) **Reassessment of the support requirements in MONUC**. The Secretariat is completing a comprehensive reassessment of all requirements related to the provision of airfield services to MONUC. This reassessment incorporates the Standards for Aviation Operations in Peacekeeping Missions, which are being finalized by the Department of Peacekeeping Operations. A cross-functional team has been established in the Mission. It has been directed to submit a redefined statement of work as early as possible, but no later than 3 June 2002;

(b) **Completion of a business case analysis of the options**. Taking into consideration the requirements of the General Assembly on outsourcing (see A/53/818 and A/55/301), the Secretariat has concurrently commenced an in-depth business case analysis to compare in a transparent and equitable manner the potential benefits, risks and costs of the options identified above. The aim is to select the most cost effective and acceptable alternative to meet the requirements. This analysis will be completed by 15 June 2002;

(c) **Arrangement of an external consultancy**. In line with the recommendations of the Office of Internal Oversight Services, the Secretariat has requested the International Civil Aviation Organization to provide consultancy services that will ensure the transparency and impartiality of the review of the MONUC airfield services requirements, of the business case analysis and of the evaluation of the eventual proposals. The consultancy services are expected to be available by the end of May 2002;

(d) **Implementation of the selected option**. No matter which option is selected, a similar process will be followed to effect the transition from the current service supplier to the new arrangement. This step will involve the recruitment and deployment of personnel and equipment. The new arrangement will not be considered in place until the selected provider(s) is (are) capable of rendering the required services to the level and quality needed;

(e) **Negotiation with the current contractor to extend the contract**. In light of the foregoing, the Secretariat intends formally to initiate negotiations to extend the current contract for a period of six months in order to make possible a seamless transition to the new arrangement.

IV. Conclusion

9. **The Secretariat has commenced the process required to resubmit the contract for tender or to put other support arrangements in place for the provision of airfield services to MONUC. The proposed schedule to complete this process by the end of this year is extremely tight but attainable.**